

MEETING MINUTES

Finance Committee

April 16, 2008

CALL TO ORDER

Time – 7:00 P.M.

Members in attendance: Chairman Joanne F. Marden, Marge Bradshaw, Harold Wright, Tim Felter, Mary O'Donoghue, S. Jon Stumpf, Cindy Milne, and Richard T. Howe.

Also present: Anthony J. Torrisi, Finance Director

CONTINUED BUDGET DISCUSSION

Ms. Marden reported an updated School Department budget number of \$59,435,189.00 down from an original request of \$60.7 million. She added that School Business Manager Bernie Tuttle was directed by the School Committee to cut the budget number that was originally requested and was able to do so due to retirement and SPED savings. The committee entered into a lengthy discussion reviewing cost saving options for funding the remaining \$412,000.00 needed to close the budget gap. Options discussed included possible state aid for SPED transportation, health insurance savings, and leasing the Town Hall with the possibility of turning it over to DCS for additional revenue. Regarding town savings, Mr. Torrisi said he felt comfortable with releasing \$100,000.00 due to a change in retiree health insurance. Mr. Torrisi was questioned about ambulance fees. He responded that he would investigate it further with Chief Mansfield as a means of additional savings. Elimination of curbside leaf pickup and CRT collections were also brought forth as options for savings. However, some committee members voiced concern that by charging additional fees for CRT collections, it may prove to be a disincentive to some residents for recycling. Mr. Torrisi offered to speak with Public Works Director Jack Petkus about raising waste tonnage fees. Committee members affirmed their commitment to finding the funds needed to close the budget gap and to meet with the Town Manager as soon as possible on this matter. All were in agreement regarding their message to the Town Manager – that the Finance Committee is interested in additional fee revenues without depleting the town's cash reserves.

Andover resident Mary Carbone voiced disappointment over the agreement of the three boards to giving additional funding to the School Department for their budget. Mr. Stumpf acknowledged Ms. Carbone's concern and stated that balancing School and Town budgets would be a long term problem adding that it would probably take years to change.

MOTION:

Jon Stumpf moved and Marge Bradshaw seconded to approve the following budget adjustments:

School budget reductions:

- 1) \$450,000 in additional retiree savings
 - 2) \$450,000 reduction in OOD SPED contingency spending
 - 3) \$410,000 reduction in all other School reductions
- \$1,310,000 total School budget reductions

Other Budget changes:

- 1) \$100,000 in town health insurance savings due to Med-X
- 2) \$85,000 health insurance savings for fewer teachers
- 3) \$50,000 savings by leasing the Town Hall and/or increasing revenue
- 4) \$100,000 use of Phillips Academy donation in operating budget
- 5) \$262,000 all other Town department savings as outlined in the Town Mgrs budget request on pg16 and/or increased fees

\$597,000 Other Budget reductions

\$1,907,000 Total budget adjustments

The motion passed unanimously 8-0.

Mr. Torrisi suggested that the three boards cosponsor a letter to the local newspapers regarding budget adjustments made at this meeting. All agreed.

Ms. Marden distributed Finance Committee speaking assignments for Town Meeting articles.

NEXT MEETING

Tri-Board Meeting
Wednesday, April 23, 2008
3rd Floor Selectmen's Conference Room
7:00 P.M.

ADJOURNMENT – 8:40 P.M.

Respectfully Submitted,
Carolyn Lynch
Recording Secretary